

19 June 2018

HSBC lowers risk ratings for some of its mutual funds

HSBC Global Asset Management (Canada) Limited (HSBC Global Asset Management), the manager of the HSBC Mutual Funds (the Funds), announced today that it is lowering the risk ratings of several of its Funds. These changes will be reflected in the Funds' Simplified Prospectus and Fund Facts, which will be filed on or around 21 June 2018.

These changes are the result of the new investment risk classification methodology mandated by the Canadian Securities Administrators. There are no changes to the investment objectives or strategies of the Funds. The new risk ratings for the Funds listed below will be as follows:

Funds	Current Risk Rating	New Risk Rating
HSBC Canadian Bond Fund	Low to Medium	Low
HSBC Monthly Income Fund	Low to Medium	Low
HSBC Global Corporate Bond Fund	Low to Medium	Low
HSBC World Selection® Diversified Conservative Fund	Low to Medium	Low
HSBC World Selection Diversified Growth Fund	Medium	Low to Medium
HSBC Small Cap Growth Fund	Medium to High	Medium

On at least an annual basis, HSBC Global Asset Management reviews the risk rating for each Fund and makes adjustments to the risk rating of each Fund as required by the new methodology.

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Notes to editors:

1. About HSBC Bank Canada

HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in the country. We help companies and individuals across Canada to do business and manage their finances internationally through three global business lines: Commercial Banking, Global Banking and Markets, and Retail Banking and Wealth Management. Canada is a priority market for the HSBC Group – one of the world’s largest banking and financial services groups with assets of US\$2,652bn at 31 March 2018. Linked by advanced technology, HSBC serves customers worldwide through an international network of around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa.

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2. HSBC Global Asset Management (Canada) Limited is a wholly-owned subsidiary of, but separate entity from, HSBC Bank Canada and is the Canadian business of HSBC Global Asset Management.

3. HSBC Global Asset Management, the investment management business of the HSBC Group, invests on behalf of HSBC’s worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Global Asset Management connects HSBC’s clients with investment opportunities around the world through an international network of offices in around 26 countries, delivering global capabilities with local market insight. As at 31 March 2018, HSBC Global Asset Management managed assets totalling US\$470bn on behalf of its clients. For more information see www.global.assetmanagement.hsbc.com

HSBC Global Asset Management is the marketing name for the asset management businesses of HSBC Holdings plc.

4. Commissions, trailing commissions, management fees, investment management fees and expenses all may be associated with investments in the HSBC Mutual Funds. Please read the applicable account opening documentation and prospectus, Fund Facts and other disclosure documents before purchasing the HSBC Mutual Funds. The HSBC Mutual Funds are not guaranteed, their value may change frequently and past performance may not be repeated. The unit value of money market funds may not remain constant.

5. ®World Selection is a registered trademark of HSBC Bank Canada.

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